GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:3188
ANSWERED ON:15.03.2000
REVIVAL OF IISCO
ADHIR RANJAN CHOWDHURY;SHYAMA SINGH

Will the Minister of STEEL be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned `SAIL reforms put IISCO revival plan in limbo` appearing in the `Statesman` dated February 2, 2000;

(b) if so, the facts of the matter reported therein; and

(c) the reaction of the Government thereto alongwith the strategies proposed by the Government to revive the ailing IISCO in a time-bound manner ?

Answer

MINISTER OF STATE FOR STEEL
(SHRI DILIP RAY)

(a) Yes, Sir.

(b) & (c): IISCO is a sick company and has been under reference to BIFR since June, 1994In response to a global tender called by SAIL for the revival of IISCO, a proposal was received from M/s. Tyazhpromexport (TPE), whose modified proposal is dependant or decision by the Russian Govt. on use of a part of Rupee Debt Repayment funds. Considering the importance attached to the project, the Indo-Russian Inter-Governmental Commission on trade, Economic, Scientific, Technological and Cultural Cooperation, recommended during its Sixth Session that the Russian Government may convey their response by February, 2000. However, no official reply has been received from them till date.

In the meantime, Government has allowed SAIL to have a minority share holding in any Joint Venture contemplated for revival of Indian Iron and Steel Company (IISCO). The formation of Joint Venture for the revival of IISCO has been targetted for June, 2001 by SAIL.